

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:303
ANSWERED ON:19.11.2007
DECLINE IN QUALITY OF BSNL SERVICES
Singh Shri Rakesh

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Board of Directors of BSNL has expressed its concern over the declining quality of BSNL services and put this Company in lower grade in comparison to the last year grading;
- (b) if so, the reasons therefor;
- (c) whether the Government proposes to take any steps to check the tendency of wasteful expenditure and the lack of manpower in this Company; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

- (a) Sir, grading of the company is declared by Department of Public Enterprises based on memorandum of understanding signed with Parent Ministry i.e. Ministry of Communications & IT, Department of Telecommunications. In this, BSNL is put in "Very Good" grading during the year 2006-07 against "Excellent" grading of the previous year.
- (b) The reasons for reduction in grading are:-
 - i) Lower Average Revenue Per User (ARPU) in basic telephony and hence lower sales and gross margin.
 - ii) Less addition in number of Broadband and PCO connections.
- (c)& (d) BSNL has been following the economy instructions of Government of India to check wasteful expenditure. There is no lack of manpower in BSNL in general. However, keeping in view of fast changing business as well as technological scenario, need based promotions as well as outside recruitments are being resorted to and shall continue in future as well as per the requirement.